

TESTIMONY OF HERMINA MORITA
CHAIR, PUBLIC UTILITIES COMMISSION
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE
HOUSE COMMITTEE ON FINANCE

FEBRUARY 27, 2012

MEASURE: H.B. No. 2644, H.D. 1

TITLE: Relating to the Public Utilities Commission

Chair Oshiro and Members of the Committee:

DESCRIPTION:

This measure proposes to increase the Commission's budget by an unspecified amount for fiscal year ("FY") 2012-2013 to enable the Commission to implement best practices in the following areas: 1) use of innovative regulatory frameworks; 2) updating of administrative rules; and 3) improvement of internal workflow with new information technologies. This measure requires the Commission to submit an annual report to the Legislature on the progress of developing the required best practices.

POSITION:

The Commission supports the intent of the bill and would like to offer the following comments for consideration by the Committee.

COMMENTS:

The Commission has worked over the last few years to improve and enhance its operations through the updating and implementing of internal processes that have shortened the time requirements for regulatory action; by developing innovative regulatory frameworks, particularly relating to energy; in conducting an internal initiative to update all of the Commission's administrative rules; and by establishing its Document Management System and other enhanced technological capabilities, such as electronic filing and payment, meant to improve both internal efficiency and public access to the regulatory process.

Although the Commission has made progress on many fronts in implementing the recommendations of previous legislative audits of the PUC's operations, we would ask that the Committee appropriate a sufficient level of funding to carry out this measure's broad requirements for best practices for "all [C]ommission activities, both internal and external."

The Commission defers to the Legislature on whether it is best to appropriate funding for this measure from the general revenues of the State or from the public utilities commission special fund under HRS § 269-33 ("PUC Special Fund"). Should the Committee determine it best to move this measure forward and change the funding source as noted, the Commission would ask the Legislature to ensure that this measure's appropriation come from excess amounts in the PUC Special Fund and not from necessary appropriations made for operations of the Commission and the Consumer Advocate.

Thank you for the opportunity to testify on this measure.